



STATE OF NEW MEXICO
New Mexico Tourism Commission
491 Old Santa Fe Trail, Santa Fe, NM 87501

Bill Richardson
Governor

Al Lucero
Chairman

September 14, 2010

Diane Denish
Lt. Governor

Members

Randy Randall
J. Christopher Stagg
Ted Garcia
Bill Hirschfeld
Selena Chino
Deidre Lujan

The Honorable Senator Tim Eichenberg
Chair
Government Restructuring Task Force
Legislative Council Service
411 State Capitol Building
Santa Fe, NM 87501

Dear Senator Eichenberg:

Thank you for the hard work done by the Government Restructuring Task Force. We recognize and appreciate the enormous effort taken on by the task force and thoughtful recommendations being developed.

We as the New Mexico Tourism Commission are writing to emphasize the importance of the New Mexico Tourism Department, the services they provide to the tourism industry, and the importance of maintaining the cabinet level position for the Department.

While the budget challenges we are facing are great and everyone agrees efficient government is of utmost importance, consolidating the Tourism Department with other Departments will not serve the tourism industry or the state well. Arguably cost savings might be recognized by reducing personnel but the services provided by the Department may be reduced as well. The Tourism Department provides essential services to the citizens of New Mexico as well as the industry. The work accomplished by the Department directly affects the revenue realized by the state. This revenue helps fund services provided by other agencies that are vital to the needs of the citizens.

Following is information related to the economic impact of the tourism industry to the state:

The Economic Impact of the Tourism Industry

The tourism industry is a major contributor to the New Mexico economy. The United States Travel Association, USTA (formerly the Travel Industry Association), maintains a staff of economists that are tasked with providing third-party estimates of the tourism industry in each state. These figures are recognized nationally and used by most states.

Accommodations	1990	\$399.9 million
	2009	\$776.5 million
	% increase	194%
Amusement/Recreation Services	1990	\$101.4 million
	2009	\$253.2 million
	% increase	250%

These three key revenue areas have grown between 194% and 250% in the last twenty years. This is actual reported revenue data that verifies the growth of the industry over two decades. This type of growth was not experienced within our state to the same level prior to the establishment of a separate cabinet level department.

Historically, prior to 1990 tourism was a division of the Economic Development and Tourism Department. In that environment, the needs of the tourism industry were often left unattended as they were "overshadowed" by the excitement of bring new industry to the state. The person filling the Secretary's seat also tended to be from a more general business background and did not understand or appreciate the nuances and needs of growing tourism as one of our states critical businesses. Tourism cannot be taken for granted or left to chance if we are to continue to compete for and achieve success in capturing more than our fair share of the regional and national tourist market. While both the Tourism Department and the Economic Development Department bring economic benefit to the state, their missions are very different.

The work of the Tourism Department continues to be essential to the success of the tourism industry and the efforts bring significant economic benefit to the state in the revenue it generates and the 110,000 New Mexicans the industry employs.

The New Mexico Tourism Commission is a 7 member board that represents the state geographically and is politically diverse in its make up as created by statute. It serves in an advisory capacity to the Tourism Department. At the August 12, 2010 Tourism Commission meeting, the Commission was unanimous in requesting that moving forward consideration be given to the advantages of keeping the Tourism Department in its current state as a separate, cabinet level department.

We are eager to provide any information you may need and hope that you will use us to gain insight into the importance of the Tourism Department.

Sincerely,


Al Lucero
Chairman
New Mexico Tourism Commission

xc: Government Restructuring Task Force
Michael Cerletti, Secretary New Mexico Tourism Department
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